

California Fair Political Practices Commission

Conflict-of-Interest Codes – Incorporation Page

Introduction

The Political Reform Act (“Act”) requires each agency to adopt a conflict-of-interest code. The code is required to contain certain information, such as the list of designated positions and the disclosure categories for each position. In addition, the code is the legal document that sets out the filing deadlines, disqualification rules, and the manner of reporting.

Each agency will have unique positions and related disclosure categories. However, the governing principals related to disclosure of economic interests are the same for all agencies.

Discussion

The initial paragraphs on the Incorporation page provide the governing statutes, 81000 et seq. for agency adoption of conflict-of-interest codes and incorporates the provisions of 2 California Code of Regulation 18730. Incorporation of Regulation 18730 along with an appendix providing disclosure categories and listing designated positions constitutes the formation and promulgation of a conflict-of-interest code as required by the Act. Regulation 18730 outlines the references to statutes and regulations that govern designated positions, disclosure categories, time of filing, contents of and period covered, manner of reporting, how interests are to be reported, definition of terms, disqualification as well as prohibition on receipt of honoraria, gifts, loans and travel payments. The provisions outlined in Regulation 18730 are subject to change by legislation or regulation. For example, every two years the gift limit is changed and thus, the Commission revises Regulation 18730. This means that each agency's conflict-of-interest code does not need to be amended to indicate the revised gift limit or other changes made within that regulation.

Generally, the last paragraph of the incorporation page provides for the place of filing of the Statements of Economic Interests. It also makes it clear that the public can review and obtain copies of statements. The FPPC will not approve a code without a clear statement of where statements are filed and a notice that such statements are public records subject to Government Code Section 81008.

The incorporation of Regulation 18730 provides the legal basis for the code to be a document that has force and effect.

Summary

The incorporation page authenticates the conflict-of-interest code as an actual legal document and provides the terms and standards required to be followed by the agency and filers. It also provides the location of where statements can be obtained.